

LEGISLATURE OF NEBRASKA  
NINETY-SIXTH LEGISLATURE  
FIRST SESSION

**LEGISLATIVE BILL 674**

Introduced by Wickersham, 49

Read first time January 20, 1999

Committee: Nebraska Retirement Systems

A BILL

1 FOR AN ACT relating to the School Employees Retirement Act; to  
2 amend sections 79-947.01 and 79-975, Reissue Revised  
3 Statutes of Nebraska, and sections 79-902 and 79-934,  
4 Revised Statutes Supplement, 1998; to change provisions  
5 relating to the monthly formula annuity and supplemental  
6 cost-of-living adjustments; to redefine a term; to  
7 eliminate an obsolete reference; to eliminate and  
8 transfer funds; to provide duties; to harmonize  
9 provisions; to provide operative dates; to repeal the  
10 original sections; to outright repeal section 79-947.02,  
11 Revised Statutes Supplement, 1998; and to declare an  
12 emergency.  
13 Be it enacted by the people of the State of Nebraska,

1                   Section 1. Section 79-902, Revised Statutes Supplement,  
2 1998, is amended to read:

3                   79-902. For purposes of the School Employees Retirement  
4 Act, unless the context otherwise requires:

5                   (1) Accumulated contributions means the sum of all  
6 amounts deducted from the compensation of a member and credited to  
7 his or her individual account in the School Retirement Fund  
8 together with regular interest thereon, compounded monthly,  
9 quarterly, semiannually, or annually;

10                  (2) Beneficiary means any person in receipt of a school  
11 retirement allowance or other benefit provided by the act;

12                  (3) Member means any person who has an account in the  
13 School Retirement Fund;

14                  (4) County school official means the county  
15 superintendent or district superintendent and any person serving in  
16 his or her office who is required by law to have a teacher's  
17 certificate;

18                  (5) Creditable service means prior service for which  
19 credit is granted under sections 79-926 to 79-929, service credit  
20 purchased under sections 79-933.03 to 79-933.06 and 79-933.08, and  
21 all service rendered while a contributing member of the retirement  
22 system. Creditable service includes working days, sick days,  
23 vacation days, holidays, and any other leave days for which the  
24 employee is paid regular wages as part of the employee's agreement  
25 with the employer. Creditable service does not include lump-sum  
26 payments to the employee upon termination or retirement in lieu of  
27 accrued benefits for such days, eligibility and vesting credit, nor  
28 service years for which member contributions are withdrawn and not

1 repaid. Creditable service also does not include service rendered  
2 by a member for which the retirement board determines that the  
3 member was paid less in compensation than the minimum wage as  
4 provided in the Wage and Hour Act or service which the board  
5 determines was rendered with the intent to defraud the retirement  
6 system;

7 (6) Disability retirement allowance means the annuity  
8 paid to a person upon retirement for disability under section  
9 79-952;

10 (7) Employer means the State of Nebraska or any  
11 subdivision thereof or agency of the state or subdivision  
12 authorized by law to hire school employees or to pay their  
13 compensation;

14 (8) Fiscal year means any year beginning July 1 and  
15 ending June 30 next following;

16 (9) Regular interest means interest fixed at a rate equal  
17 to the bond equivalent yield, as published by the Secretary of the  
18 Treasury of the United States, of the average accepted auction  
19 price for the last auction of fifty-two-week United States treasury  
20 bills in effect on the last day of the preceding plan year, which  
21 may be credited monthly, quarterly, semiannually, or annually as  
22 the board may direct;

23 (10) Junior school employee means a school employee who  
24 has not arrived at his or her twenty-first birthday anniversary on  
25 August 15 preceding;

26 (11) School employee means a contributing member who  
27 acquires five hundred sixteen hours or more of service in a fiscal  
28 year and thereby earns one-half year of service credit. A

1 contributing member who acquires one thousand thirty-two hours or  
2 more of service in a fiscal year shall earn one year of service  
3 credit. For purposes of this section, contributing member means  
4 the following persons who receive compensation from a public  
5 school: (a) Regular employees hired upon a full-time basis which  
6 contemplates a workweek of not less than thirty hours and (b)  
7 part-time employees hired for not less than sixty hours per month;

8 (12) Prior service means service rendered as a school  
9 employee in the public schools of the State of Nebraska prior to  
10 July 1, 1945;

11 (13) Public school means any and all schools offering  
12 instruction in elementary or high school grades, as defined in  
13 section 79-101, which schools are supported by public funds and are  
14 wholly under the control and management of the State of Nebraska or  
15 any subdivision thereof, including (a) schools or other entities  
16 established, maintained, and controlled by the school boards of  
17 local school districts, except Class V school districts, (b) any  
18 educational service unit, and (c) any other educational institution  
19 wholly supported by public funds, except schools under the control  
20 and management of the Board of Trustees of the Nebraska State  
21 Colleges, the Board of Regents of the University of Nebraska, or  
22 the community college boards of governors for any community college  
23 areas;

24 (14) Retirement means qualifying for and accepting a  
25 school or disability retirement allowance granted under the School  
26 Employees Retirement Act;

27 (15) Retirement board or board means the Public Employees  
28 Retirement Board;

1           (16) Retirement system means the School Retirement System  
2 of the State of Nebraska;

3           (17) Required deposit means the deduction from a member's  
4 compensation as provided for in section 79-958 which shall be  
5 deposited in the School Retirement Fund;

6           (18) School year means one fiscal year which includes not  
7 less than one thousand thirty-two instructional hours or, in the  
8 case of service in the State of Nebraska prior to July 1, 1945, not  
9 less than seventy-five percent of the then legal school year;

10          (19) Senior school employee means a school employee who  
11 has arrived at his or her twenty-first birthday anniversary on  
12 August 15 preceding;

13          (20) Service means employment as a school employee and  
14 shall not be deemed interrupted by (a) termination at the end of  
15 the school year of the contract of employment of an employee in a  
16 public school if the employee enters into a contract of employment  
17 in any public school, except a school in a Class V school district,  
18 for the following school year, (b) temporary or seasonal suspension  
19 of service that does not terminate the employee's employment, (c)  
20 leave of absence authorized by the employer for a period not  
21 exceeding twelve months, (d) leave of absence because of  
22 disability, or (e) military service when properly authorized by the  
23 retirement board. Service does not include any period of  
24 disability for which disability retirement benefits are received  
25 under sections 79-951 to 79-953;

26          (21) School retirement allowance means the total of the  
27 savings annuity and the service annuity or formula annuity paid a  
28 person who has retired under sections 79-931 to 79-935. The

1 monthly payments shall be payable at the end of each calendar month  
2 during the life of a retired member. The first payment shall  
3 include all amounts accrued since the effective date of the award  
4 of annuity. The last payment shall be at the end of the calendar  
5 month in which such member dies or in accordance with the payment  
6 option chosen by the member;

7 (22) Service annuity means payments for life, made in  
8 equal monthly installments, derived from appropriations made by the  
9 State of Nebraska to the retirement system;

10 (23) State deposit means the deposit by the state in the  
11 retirement system on behalf of any member;

12 (24) State school official means the Commissioner of  
13 Education and his or her professional staff; ~~and the assistant~~  
14 ~~commissioner of education in charge of vocational education and his~~  
15 ~~or her professional staff;~~

16 (25) Savings annuity means payments for life, made in  
17 equal monthly payments, derived from the accumulated contributions  
18 of a member;

19 (26) Emeritus member means a person (a) who has entered  
20 retirement under the provisions of the act, including those persons  
21 who have retired since July 1, 1945, under any other regularly  
22 established retirement or pension system as contemplated by section  
23 79-916, (b) who has thereafter been reemployed in any capacity by a  
24 public school, a Class V school district, or a school under the  
25 control and management of the Board of Trustees of the Nebraska  
26 State Colleges, the Board of Regents of the University of Nebraska,  
27 or a community college board of governors or has become a state  
28 school official or county school official subsequent to such

1 retirement, and (c) who has applied to the board for emeritus  
2 membership in the retirement system. The school district or agency  
3 shall certify to the retirement board on forms prescribed by the  
4 retirement board that the annuitant was reemployed, rendered a  
5 service, and was paid by the district or agency for such services;

6 (27) Actuarial equivalent means the equality in value of  
7 the aggregate amounts expected to be received under different forms  
8 of payment. The determinations shall be based on the 1971 Group  
9 Annuity Mortality Table reflecting sex-distinct factors blended  
10 using twenty-five percent of the male table and seventy-five  
11 percent of the female table. An interest rate of seven percent per  
12 annum shall be reflected in making these determinations except when  
13 a lump-sum settlement is made to an estate. If the lump-sum  
14 settlement is made to an estate, the interest rate will be  
15 determined by the Moody's Triple A Bond Index as of the prior June  
16 30, rounded to the next lower quarter percent;

17 (28) Retirement date means the first day of the month  
18 following the date upon which a member's request for retirement is  
19 received on a retirement application provided by the retirement  
20 system if the member has terminated employment in the school  
21 system. An application may be filed no more than ninety days in  
22 advance of the date on which a member terminates employment in the  
23 school system;

24 (29) Disability retirement date means the first day of  
25 the month following the date upon which a member's request for  
26 disability retirement is received on a retirement application  
27 provided by the retirement system if the member has terminated  
28 employment in the school system and has complied with sections

1 79-951 to 79-954 as such sections refer to disability retirement;

2 (30) Retirement application means the form approved by  
3 the retirement system for acceptance of a member's request for  
4 either regular or disability retirement;

5 (31) Eligibility and vesting credit means credit for  
6 years, or a fraction of a year, of participation in a Nebraska  
7 government plan for purposes of determining eligibility for  
8 benefits under the School Employees Retirement Act. Such credit  
9 shall not be included as years of creditable service in the benefit  
10 calculation;

11 (32) Final average compensation means (a) for full-time  
12 employees, the member's total compensation subject to required  
13 deposits for the three fiscal years in which such compensation was  
14 the highest divided by thirty-six and (b) for part-time employees,  
15 the member's total adjusted compensation subject to required  
16 deposits for the three fiscal years in which such adjusted  
17 compensation was the highest divided by thirty-six. If a member  
18 has such compensation for less than three such fiscal years, his or  
19 her final average compensation shall be determined by dividing his  
20 or her total compensation in all such years by the total number of  
21 months of his or her creditable service therefor. Adjusted  
22 compensation for any year shall be equal to actual pay times the  
23 ratio of one to the actual credited service for such year.

24 Payments under the Retirement Incentive Plan pursuant to  
25 section 79-855 and Staff Development Assistance pursuant to section  
26 79-856 shall not be included in the determination of final average  
27 compensation;

28 (33) Plan year means the twelve-month period beginning on



1 July 1 and ending on June 30 of the following year;

2 (34) Current benefit means the initial benefit increased  
3 by all adjustments made pursuant to ~~section 79-947.02~~ the act;

4 (35) Initial benefit means the retirement benefit  
5 calculated at the time of retirement;

6 (36) Surviving spouse means (a) the spouse married to the  
7 member on the date of the member's death or (b) the spouse or  
8 former spouse of the member if survivorship rights are provided  
9 under a qualified domestic relations order filed with the board  
10 pursuant to the Spousal Pension Rights Act. The spouse or former  
11 spouse shall supersede the spouse married to the member on the date  
12 of the member's death as provided under a qualified domestic  
13 relations order. If the benefits payable to the spouse or former  
14 spouse under a qualified domestic relations order are less than the  
15 value of benefits entitled to the surviving spouse, the spouse  
16 married to the member on the date of the member's death shall be  
17 the surviving spouse for the balance of the benefits;

18 (37)(a) Compensation means gross wages or salaries  
19 payable to the member for personal services performed during the  
20 plan year. Compensation does not include amounts which the  
21 retirement board determines were fraudulently obtained,  
22 compensation for unused sick leave or unused vacation leave  
23 converted to cash payments, insurance premiums converted into cash  
24 payments, reimbursement for expenses incurred, fringe benefits, or  
25 bonuses for services not actually rendered, including, but not  
26 limited to, early retirement inducements, cash awards, and  
27 severance pay, except for retroactive salary payments paid pursuant  
28 to court order, arbitration, or litigation and grievance

1 settlements. Compensation includes overtime pay, member retirement  
2 contributions, and amounts contributed by the member to plans under  
3 sections 125, 403(b), and 457 of the Internal Revenue Code or any  
4 other section of the code which defers or excludes such amounts  
5 from income.

6 (b) Compensation in excess of the limitations set forth  
7 in section 401(a)(17) of the Internal Revenue Code shall be  
8 disregarded. For an employee who was a member of the retirement  
9 system before the first plan year beginning after December 31,  
10 1995, the limitation on compensation shall not be less than the  
11 amount which was allowed to be taken into account under the  
12 retirement system as in effect on July 1, 1993; and

13 (38) Termination of employment occurs on the date on  
14 which the members' employer determines that the member's  
15 employer-employee relationship with the employer is dissolved. The  
16 employer shall notify the board in writing within two weeks after  
17 the date such a termination is deemed to have occurred.  
18 Termination of employment does not include ceasing active work at  
19 the end of the school year if the member will return to active work  
20 during the following school year with any school district under the  
21 retirement system.

22 Sec. 2. Section 79-934, Revised Statutes Supplement,  
23 1998, is amended to read:

24 79-934. (1) In lieu of the school retirement allowance  
25 provided by section 79-933, any member who is not an employee of a  
26 Class V school district and who becomes eligible to make  
27 application for and receive a school retirement allowance under  
28 section 79-931 may receive a formula annuity retirement allowance

1 if it is greater than the school retirement allowance provided by  
2 section 79-933.

3 (2) Subject to the other provisions of this section, the  
4 monthly formula annuity in the normal form shall be determined by  
5 multiplying the number of years of creditable service for which  
6 such member would otherwise receive the service annuity provided by  
7 section 79-933 by (a) one and one-quarter percent of his or her  
8 final average compensation for a member who has acquired the  
9 equivalent of one-half year of service or more as a public school  
10 employee under the retirement system following August 24, 1975, (b)  
11 one and one-half percent of his or her final average compensation  
12 for a member who has acquired the equivalent of one-half year of  
13 service or more as a public school employee under the retirement  
14 system following July 17, 1982, (c) one and sixty-five hundredths  
15 percent of his or her final average compensation for a member who  
16 has acquired the equivalent of one-half year of service or more as  
17 a public school employee under the retirement system following July  
18 1, 1984, (d) one and seventy-three hundredths percent of his or her  
19 final average compensation for a member actively employed as a  
20 public school employee under the retirement system or under  
21 contract with an employer on or after June 5, 1993, ~~or~~ (e) one and  
22 eight-tenths percent of his or her final average compensation for a  
23 member who has acquired the equivalent of one-half year of service  
24 or more as a public school employee under the retirement system  
25 following July 1, 1995, and was employed as a public school  
26 employee under the retirement system or under contract with an  
27 employer on or after April 10, 1996, or (f) one and nine-tenths  
28 percent of his or her final average compensation for a member who

1 has acquired the equivalent of one-half year of service or more as  
2 a public school employee under the retirement system following July  
3 1, 1999, and was employed as a public school employee under the  
4 retirement system or under contract with an employer on or after  
5 the effective date of this act.

6 (3) If the annuity begins on or after the sixty-fifth  
7 birthday of a member, the annuity shall not be reduced. If the  
8 annuity begins prior to the sixty-fifth birthday of the member and  
9 the member has completed thirty or more years of creditable service  
10 and is at least sixty years of age, the annuity shall not be  
11 reduced. If the annuity begins prior to the sixtieth birthday of  
12 the member and the member has completed thirty-five or more years  
13 of creditable service, the annuity shall be actuarially reduced on  
14 the basis of age sixty-five. If the annuity begins on or after the  
15 sixtieth birthday of the member and the member has completed at  
16 least a total of five years of (a) creditable service plus (b)  
17 eligibility and vesting credit but less than thirty years of  
18 creditable service, the annuity shall be reduced by three percent  
19 for each year by which the member's age is less than the age at  
20 which the member's age plus years of creditable service would have  
21 totaled ninety or three percent for each year after the member's  
22 sixtieth birthday and prior to his or her sixty-fifth birthday,  
23 whichever provides the greater annuity.

24 (4) For retirements on or after March 4, 1998, if the  
25 annuity begins at a time when the sum of the member's attained age  
26 and creditable service totals eighty-five and the member is at  
27 least fifty-five years of age, the annuity shall not be reduced.  
28 This subsection shall only apply to a member who has acquired the

1 equivalent of one-half year of service or more as a public school  
2 employee under the retirement system following July 1, 1997, and  
3 who was a school employee on or after March 4, 1998. This  
4 subsection shall not apply to a member who is retired prior to  
5 March 4, 1998.

6 (5) Except as provided in section 42-1107, the normal  
7 form of the formula annuity shall be an annuity payable monthly  
8 during the remainder of the member's life with the provision that  
9 in the event of his or her death before sixty monthly payments have  
10 been made the monthly payments will be continued to his or her  
11 estate or to the beneficiary he or she has designated until sixty  
12 monthly payments have been made. Except as provided in section  
13 42-1107, a member may elect to receive in lieu of the normal form  
14 of annuity an actuarially equivalent annuity in any optional form  
15 provided by section 79-938.

16 (6) All formula annuities shall be paid from the Annuity  
17 Reserve Account. Upon the granting of a formula annuity, there  
18 shall be transferred to the Annuity Reserve Account: (a) From the  
19 Service Annuity Account, the value of the service annuity which  
20 would otherwise be payable; (b) from the School Employees Savings  
21 Account, the accumulated contributions of the member; and (c) from  
22 the School Employers Deposit Account, the value of the formula  
23 annuity in excess of the amounts transferred from the Service  
24 Annuity Account and the School Employees Savings Account. The  
25 amounts transferred from the Service Annuity Account at any time  
26 after such member attains sixty years of age and prior to his or  
27 her sixty-fifth birthday or thirty-five years of creditable service  
28 shall be on an actuarially reduced basis.

1                   Sec. 3. Section 79-947.01, Reissue Revised Statutes of  
2 Nebraska, is amended to read:

3                   79-947.01.     (1) Beginning July 1, 2000, and each July 1  
4 thereafter, current benefits paid to a member or beneficiary shall  
5 be adjusted to equal seventy-five percent of the annuity which  
6 results when the initial benefit that was paid to the member or  
7 beneficiary (before any cost-of-living adjustments or supplemental  
8 retirement benefit adjustments pursuant to the School Employees  
9 Retirement Act), is adjusted by the increase in the change in the  
10 Consumer Price Index for Urban Wage Earners and Clerical Workers  
11 between the commencement date of the annuity and July 1 of each  
12 year the adjustment is made. The adjustment pursuant to this  
13 subsection shall not cause a current benefit to be reduced.

14                   (2) Beginning July 1, 2000, the current benefit of a  
15 member or the beneficiary of such a member shall be increased  
16 annually by the lesser of (1) the change in the Consumer Price  
17 Index for Urban Wage Earners and Clerical Workers published by the  
18 Bureau of Labor Statistics of the United States Department of Labor  
19 for the prior year or (2) two percent.

20                   (3) The School Employees Purchasing Power Stabilization  
21 Fund is created. The purpose of the fund shall be to reflect  
22 changes in the cost of living and wage levels that have occurred  
23 subsequent to the date of retirement and that have reduced the  
24 purchasing power of retirement benefits provided under the  
25 retirement system. A separate annual actuarial valuation of the  
26 fund and the benefits provided in section 79-947.02 shall be  
27 completed by the actuary using the aggregate actuarial cost method.  
28 Commencing with the 1996-97 fiscal year through the 1999-00 fiscal

1 year, the state shall contribute to the ~~fund~~ School Employees  
2 Purchasing Power Stabilization Fund an annual level dollar payment  
3 certified by the board. After the 1999-00 fiscal year, the state  
4 shall contribute to the Annuity Reserve Fund an annual level dollar  
5 payment certified by the board. For the 1996-97 fiscal year  
6 through the 2010-11 fiscal year, the annual level dollar payment  
7 certified by the board shall equal 81.7873 percent of six million  
8 eight hundred ninety-five thousand dollars. ~~Any~~ Until July 1,  
9 2000, any money in the ~~fund~~ School Employees Purchasing Power  
10 Stabilization Fund available for investment shall be invested by  
11 the state investment officer pursuant to the Nebraska Capital  
12 Expansion Act and the Nebraska State Funds Investment Act. On July  
13 1, 1999, the School Employees Purchasing Power Stabilization Fund  
14 shall terminate and all money in the fund shall be transferred to  
15 the Annuity Reserve Fund.

16 (4) The retirement board shall adjust the annual benefit  
17 adjustment provided in this section so that the total amount of all  
18 cost-of-living adjustments provided to the eligible retiree at the  
19 time of the annual benefit adjustment does not exceed the change in  
20 the Consumer Price Index for Urban Wage Earners and Clerical  
21 Workers published by the Bureau of Labor Statistics for the period  
22 between June 30 of the prior year to June 30 of the present year.

23 Sec. 4. Section 79-975, Reissue Revised Statutes of  
24 Nebraska, is amended to read:

25 79-975. (1) The School Employees Retirement System  
26 Reserve Fund is created. Required deposits from the compensation  
27 of members and employers shall be accumulated in the fund to  
28 provide a one-time cost-of-living benefit adjustment for each

1 member who ceased employment prior to April 10, 1996, or his or her  
2 surviving beneficiary, and who is receiving a retirement annuity  
3 from the School Retirement System of the State of Nebraska when  
4 such adjustment is administered. The purpose of the cost-of-living  
5 benefit adjustment shall be to reflect changes in the cost of  
6 living and wage levels that have occurred subsequent to the date of  
7 retirement.

8 (2) Commencing July 1, 1993, member contributions into  
9 the fund shall equal three-tenths of one percent of compensation  
10 and employer contributions into the fund shall be one hundred one  
11 percent of member contributions to the fund. Such member and  
12 employer contributions to the fund shall cease on the first month  
13 following the month when funds are sufficient to provide a one-time  
14 three percent cost-of-living benefit adjustment provided by  
15 subsection (3) of this section. A member who receives a refund of  
16 his or her account after July 1, 1993, shall be entitled to receive  
17 a refund of his or her contributions to the fund. No refund shall  
18 be made for an amount less than two dollars.

19 (3) Upon verification by the actuary that amounts  
20 accumulated in the fund are sufficient to provide a three percent  
21 cost-of-living benefit adjustment for all qualified persons and a  
22 reserve to refund prior contributions as provided in subsections  
23 (2) and (4) of this section, the retirement board shall administer  
24 the one-time three percent cost-of-living benefit adjustment as  
25 provided by this section for each member and beneficiary when  
26 sufficient amounts have accumulated in the fund. Such amounts  
27 shall be determined so that all funds available in the School  
28 Employees Retirement System Reserve Fund, except for the reserve



1 amount pursuant to subsection (4) of this section, are utilized.

2 (4) Based upon recommendations by the actuary, the board  
3 shall determine the reserve amount to refund prior member  
4 contributions pursuant to subsection (2) of this section. When no  
5 member entitled to a refund under subsection (2) of this section  
6 remains in the retirement system, the board shall transfer the  
7 reserve amount to the ~~School Employees Purchasing Power~~  
8 ~~Stabilization Fund~~ Annuity Reserve Fund.

9 (5) The retirement board shall make transfers to and from  
10 the School Employees Retirement System Reserve Fund and any other  
11 fund of the School Retirement System of the State of Nebraska  
12 administered by the retirement board in order to comply with this  
13 section.

14 (6)(a) It is the intent of the Legislature that a  
15 cost-of-living benefit adjustment of benefits of members who ceased  
16 employment on or after June 5, 1993, and prior to April 10, 1996,  
17 or of such member's beneficiaries, provided in this section shall  
18 be granted automatically in future years whenever funds are  
19 sufficient in the School Employees Retirement System Reserve Fund  
20 for such a benefit and the increase in the cost of living or wage  
21 levels justifies the adjustment as provided by this section. The  
22 cost-of-living benefit adjustment shall be the equivalent of three  
23 percent of benefits provided pursuant to the School Employees  
24 Retirement Act. The cost-of-living benefit adjustment shall be  
25 paid to a retired person or surviving beneficiary during his or her  
26 life.

27 (b) Transfers of surplus assets in any fund of the School  
28 Retirement System of the State of Nebraska to the School Employees

1 Retirement System Reserve Fund shall be made only as provided by  
2 the Legislature.

3 (7) For members who retired prior to June 1, 1993, the  
4 cost-of-living benefit adjustment shall be calculated based on the  
5 amount of benefit the member is receiving on June 1, 1993. For  
6 members who retire on or after June 1, 1993, the cost-of-living  
7 benefit adjustment shall be calculated based on the amount of the  
8 benefit the member is receiving when the cost-of-living benefit  
9 adjustment is granted.

10 Sec. 5. Sections 2 and 6 of this act become operative on  
11 July 1, 1999. Sections 1, 3, 4, 7, and 8 of this act become  
12 operative on July 1, 2000. The other sections of this act become  
13 operative on their effective date.

14 Sec. 6. Original section 79-934, Revised Statutes  
15 Supplement, 1998, is repealed.

16 Sec. 7. Original sections 79-947.01 and 79-975, Reissue  
17 Revised Statutes of Nebraska, and section 79-902, Revised Statutes  
18 Supplement, 1998, are repealed.

19 Sec. 8. The following section is outright repealed:  
20 Section 79-947.02, Revised Statutes Supplement, 1998.

21 Sec. 9. Since an emergency exists, this act takes effect  
22 when passed and approved according to law.